



## BRAND PERFORMANCE CHECK

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Bel&Bo-Fabrimode NV

PUBLICATION DATE: JUNE 2017

this report covers the evaluation period 01-02-2016 to 31-01-2017

## ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The Checks examine how member company management systems support FWF's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases FWF member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at [www.fairwear.org](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

Bel&Bo-Fabrimode NV

Evaluation Period: 01-02-2016 to 31-01-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Deerlijk, Belgium
Member since:	01-12-2014
Product types:	Fashion
Production in countries where FWF is active:	Bangladesh, Bulgaria, China, India, Indonesia, Republic of Macedonia, Romania, Tunisia, Turkey, Viet Nam
Production in other countries:	Bosnia and Herzegovina, Egypt, France, Georgia, Hong Kong, Hungary, Italy, Malaysia, Morocco, Netherlands, Pakistan, Poland, United Kingdom
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	70%
Benchmarking score	53
Category	Good

## Summary:

Bel&Bo has shown progress and met most of FWFs' performance requirements for its second year of membership. The company reached a monitoring threshold of 70% in 2016 and remains in the Good category with a score of 53.

To monitor its production units, Bel&Bo uses the FWF quality assessment tool in a systematic manner. Corrective Action Plans are also well detailed for each production location. If collected information is assessed as insufficient, the CSR manager requires a recent full audit report. When the audit report is deemed reliable, Bel&Bo starts to work on the Corrective Action Plan. For the 2016 financial year, 13% of FOB was monitored through FWF audits, while 55% of production was monitored through external audits.

FWF recommends Bel&Bo to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, Bel&Bo should determine whether suppliers from which they purchase less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow Bel&Bo to improve working conditions in a more efficient and effective way.

## PERFORMANCE CATEGORY OVERVIEW

**Leader:** This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

**Good:** It is FWF's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF member companies—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of member companies will receive a 'Good' rating.

**Needs Improvement:** Member companies are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Member companies may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

**Suspended:** Member companies who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Member companies may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

## 1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	23%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	1	4	0

**Comment:** In 2016, Bel&Bo sourced 23% of its produced items at factories where it has at least 10% leverage. It is an increase from the previous year (17% in 2015).

**Recommendation:** FWF recommends Bel&Bo to consolidate its supplier base where possible, and increase leverage at main suppliers to effectively request improvements of working conditions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	72%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	0	4	0

**Comment:** In 2016, Bel&Bo added all accessories suppliers to their production units list which increased the total number of factories, but the number of production units used for clothing manufacturing has diminished. The main focus after last year Brand Performance Check was cutting down the tail end.

**Recommendation:** FWF recommends Bel&Bo to consolidate its supply base by limiting the number of supplier in its 'tail end'. To achieve this, Bel&Bo should determine whether suppliers where they buy less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks Bel&Bo is exposed to and will allow Bel&Bo to improve working conditions in a more efficient and effective way.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	37%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	2	4	0

**Comment:** Over a third of Bel&Bo's production comes from suppliers where they have been working with for 5 years or more. This number has significantly increased in comparison to the previous year, as Bel&Bo was able to collect more information about its suppliers while implementing its monitoring system.

**Recommendation:** FWF recommends Bel&Bo to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give the factories a reason to invest in improving working conditions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.3 All new production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	Yes	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

**Comment:** The questionnaire, including the Code of Labour Practices, was incorporated in an excel document to be filled in by production unit. Bel&Bo specifically checked whether the Code of Labour Practices is understood, including information on subcontractors. Bel&Bo could show that questionnaires were collected and Code of Labour Practices shared.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all new production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

**Comment:** The CSR manager studies all country studies from FWF and includes questions on specific risks in the questionnaires sent to suppliers. A visit (making use of FWF health and safety guide) and a full audit are required before placing an order at a new factory. A systemic approach is implemented so all staff involved knows the status of the factory before placing an order. If a Red color code (see explanation below in 1.5) has been appointed to a production unit, it cannot receive any new order.

**Recommendation:** It is advised to describe the process of assessing working conditions at potential new suppliers in a sourcing strategy that is agreed upon with top management/sourcing staff. Questions concerning anti-harassment committees should be taken into account.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and leads to production decisions	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	2	2	0

**Comment:** Production units' level of social compliance are classified thanks to a color code. This code is then used by purchase department before they can decide to place orders at a factory. Red: factories cannot receive new orders, Orange: all needed documents are filed and high-risk issues cleared up, but CSR department hasn't analysed all details of audits reports yet, Green: all documents are collected and Corrective Action Plans have been shared with factories who can receive new orders. The rating takes place twice a year, before a collection launch and is made together by sourcing, QC and CSR staff.

**Recommendation:** FWF encourages Bel&Bo to decide on a responsible exit strategy and make sure all relevant staff is informed about this.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	General or ad-hoc system.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	2	4	0



**Comment:** Bel&Bo has a rather general production planning system in place. Bel&Bo tries to place final orders in time and communicates timetables to the suppliers. The exact moment of placing final orders (after sampling phase) depends on the production country. The company has 18 collections/2 seasons a year, and high fashion items are produced in Europe to be quickly on shop floor. During sampling phase, Bel&Bo communicates every 2/3 weeks with factories to keep deadlines realistic. When needed, Bel&Bo manages deliveries delays thanks to air freight. The CMT factory sets the lead time for fabric and material suppliers, however Bel&Bo has no insight in the exact production capacity per factory.

**Recommendation:** It is advised to establish a system for sharing and updating forecasts with suppliers to facilitate their planning. The system may include assurance of early delivery of materials and trimmings to suppliers, ensuring samples are approved in time and that late changes are discussed with the supplier. FWF recommends Bel&Bo to gain more insight in the exact production time slots at its main suppliers, to understand when exactly production starts. A good production planning system needs to be established based on the production capacity of the factory for regular working hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Insufficient efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	0	6	0

**Comment:** In 4 out of 5 factories audited by FWF, overtime was found. Overtime was not the priority of Bel & Bo during the first 2 years of membership as they focused on knowing their production locations and implementing an internal management system.

**Recommendation:** FWF recommends Bel&Bo to work with suppliers on keeping transparent working hour records, and to continue working on reducing excessive overtime with their main suppliers. Bel&Bo could discuss with factory management the causes of excessive overtime and provide support to manage overtime. It is recommended to investigate whether their orders contributed to excessive working hours and Bel&Bo is to prevent practices at brand level that are likely to lead to excessive overtime.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	2	4	0

**Comment:** Based on knowledge on material costs and experience per production country and product type, Bel&Bo often knows whether prices proposed by suppliers are realistic. However, the company has made no research on factory level yet and is used to paying average prices in each country that allow payment of legal minimum wage. Retail prices have to be consistent and to do so, Bel&Bo adjusts its margins accordingly.

**Recommendation:** At a minimum, Bel&Bo is recommended to investigate wages levels in production countries, among others by making use of FWFs Wage Ladder and country studies. Staff in contact with suppliers should know the legal minimum wages and not only assess prices in regard to average industry prices in a country. As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	2	2	-2

Comment: No failure to pay minimum wages was found during FWF 2016 audits.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Basic approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0

Comment: Bel&Bo has started to explain the living wage concept to its suppliers and discusses wage ladders as part of Corrective Action Plan follow up process.

Recommendation: FWF encourages Bel&Bo to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

## PURCHASING PRACTICES

Possible Points: 44

Earned Points: 19

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	68%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	2%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	N/A	Standard monitoring below 80%
Total of own production under monitoring	70%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case FWF teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for FWF to approve the auditing system.	Information on audit methodology.	N/A	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1

Comment: Bel&Bo could show a consistent system on sharing audit reports and Corrective Action Plans with their suppliers and agents. Corrective Action Plans also have a color code depending on the importance/urgency of the matter. Reminders emails are sent to factories regularly to follow up and collect answers on pending issues.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Basic	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	4	8	-2

Comment: Audit reports are collected for each production location. Corrective Action Plans are studied and detailed for each production location and are also classified with a color code, depending on importance of issues. On top of high risks and FWF 8 labor standards Corrective Action Plan, Bel&Bo adds specific Corrective Action Plan points depending on countries specific risks. Discussion with suppliers happens on regular basis and especially for high and specific risks such as Syrian refugees working in Turkish factories.

**Recommendation:** Besides doing audits, Bel&Bo could consider to:

- Hire local consultant(s) to assist factory in developing an action plan and to assist factory management in investigating root causes
- Organize supplier seminars
- Provide factory training
- Share knowledge/material with suppliers and staff involved

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	45%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	2	4	0

**Comment:** Bel&Bo's CEO/Head of sourcing, the sourcing manager and other staff visit suppliers. Factory visits are used to obtain a basic knowledge of the level of working conditions with the help of FWF OHS guide. The factories which are not visited by Bel&Bo staff are visited by its agents. The agents reports back to Bel&Bo.

**Recommendation:** Annual visits should be made for production sites (including subcontractors and production locations in low-risk countries). Regular visits provide the opportunities to discuss problems and corrective actions in the time period between formal audits.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	3	3	0

Comment: Bel&Bo uses the FWF quality assessment tool in a systematic manner. Corrective Action Plans are well detailed for each production location. If collected information is assessed as insufficient, the CSR manager requires a recent full audit report. When the audit report is deemed reliable, Bel&Bo starts to work on the Corrective Action Plan.

For the financial year 2016, 13% of FOB was monitored through FWF audits, 55% of production was monitored through external audits.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	3	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Intermediate			3	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Intermediate			3	6	-2



**Comment:** In 2016, Bel&Bo bought 30% of its production volume in Bangladesh. It could show that a number of its suppliers (including the most important ones there) took part in the fire and safety awareness raising workshop organized by FWF.

Bel&Bo doesn't source in Myanmar.

Bel&Bo does not use sandblasting for its denim production, prohibition of sandblasting is clearly communicated on order forms and in Bel&Bo's quality book.

Bel&Bo takes potential risk factors into consideration when planning audits and defining other monitoring efforts. FWF policies on specific risks such as Sumangali are included in the supplier questionnaires and checklist. A survey was conducted in Turkey concerning the employment of Syrian refugees.

After the strikes and reprisals in Bangladesh in December 2016, Bel&Bo asked FWF for guidance to address the crisis in their supply chain.

**Recommendation:** Bangladesh: Bel&Bo should share responsibilities with their production locations as business partners to improve workers' safety at the workplace. At the minimum, Bel&Bo should provide necessary support to the suppliers. In terms of fire and building safety, Bel&Bo could offer financial or technical support, or offer flexible lead time so that factories could prioritize remediation. In terms of ensuring women's safety at work, the brand should make sure that suppliers have sufficient knowledge and a functional system to promote gender equality and prevent gender based violence. A functional system to prevent violence needs involvement of both factory management and workers representatives. FWF local team has extensive experience on supporting both employees and employers in setting up anti-harassment systems. FWF local team could provide training and regular support to suppliers upon request.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

Comment: Information is exchanged with another FWF member for resolving corrective actions at two shared suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	0-49%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	0	2	0

Comment: The requirements for low risk countries monitoring are fulfilled for only 2% of total production volume. Bel&Bo works through agents in low risk countries, Bel&Bo has started visiting those production units but it was seen as a secondary priority compared to high risk countries in the past financial year.

Requirement: Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- Be visited annually by affiliate representatives;
- Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FWF;
- Have the FWF Worker Information Sheet posted in local languages.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	None	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	N/A	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	1	2	0

Comment: Bel&Bo could show that the only external brand they sell items from had returned the questionnaire, which answers to the previous brand performance check requirement.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	0%	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	0	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	FWF believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

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## MONITORING AND REMEDIATION

Possible Points: 34

Earned Points: 19

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### Additional comments on Monitoring and Remediation:

Requirement: In the tail end of Bel&Bo's supplier base, FWF requires Bel&Bo to ensure it audits all production locations that are responsible for over 2% of production and production locations where Bel&Bo is responsible for over 10% of the location's production capacity.

### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 System is in place to check that the Worker Information Sheet is posted in factories.	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	0

Comment: Pictures of Worker Information Sheets are systematically collected from factories, visiting staff and agents and then filed by the CSR department.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	29%	The FWF complaints procedure is a crucial element of verification. If production location based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	2	4	0

Comment: In FWF audits findings, workers didn't seem to be aware of the worker helpline. Bel&Bo suppliers didn't join WEP trainings in 2016.

Recommendation: Bel&Bo can stimulate its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, Bel&Bo can use the worker information cards available for download on FWF's website.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the FWF member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

## COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 5

## 4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

**Comment:** The CSR manager is in direct contact with all other departments at Bel&Bo to keep them informed about requirements of FWF membership. Once a year, when all Bel&Bo staff meets, FWF membership is included in overall presentation. News are also shared by internal newsletter and one social report is sent to each shop.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** Within the company, a FWF team was set up. Members of this team are: CSR staff, buying manager and one of the directors. On a weekly basis the team meets to discuss priorities, production site visits, supplier relations, etc. Usually the FWF team briefs the traveling staff about suppliers' specific problems and asks for proves such as documents, notes, pictures. Bel&Bo sourcing team, intermediates and QC team are informed and help implement FWF requirements. The CSR manager attended FWF members' seminar.



PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	0

**Comment:** All intermediates are informed about FWF Code of Labour Practices and the consolidation strategy of Bel&Bo. They are involved in collecting audit reports and sharing corrective action plans with factories. Agents changing too much suppliers will be phased out while other intermediates are encouraged to place orders at known factories with orange or green code in priority.

**Recommendation:** FWF encourages the process Bel&Bo initiated to only work with agents who are committed to actively monitor and remediate working conditions. Bel&Bo is advised to select contractors/agents that can play an active role in remediation and monitoring. The remaining agents should be phased out.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	2%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	1	6	0

**Comment:** Bel&Bo has mainly focused on identifying production locations, assessing external audit reports and making plans for remediation for the first 2 years of membership. Some factories joined other trainings than FWF WEPs, mainly on health and safety in Bangladesh.

**Recommendation:** In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. This programme is offered in several production countries. Bel&Bo should motivate its main supplier(s) to join WEP trainings.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location participation in trainings (where WEP is not offered; by production volume)	0%	In areas where the Workplace Education Programme is not yet offered, member companies may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	0	4	0

**Recommendation:** All factory workers should be informed about the labour standards and the process of monitoring and remediation. In order to further communication between employers and workers in the workplace FWF recommends Bel&Bo to ensure suppliers participate in trainings. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participations should be balanced and representative.

## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 5

## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** In 2016, Bel&Bo added its accessories suppliers to its production locations list to be monitored, and worked towards discovering all production locations. Questionnaires sent out include questions about subcontracting and home-based workers.

Bel&Bo knows their agents and production units and how many orders are placed in each factory.

**Recommendation:** Bel&Bo is advised to develop a systematic approach to complete the suppliers list. Part of the approach can be:

- 1) automatically include information from audit reports and complaints
- 2) Business relationships with agents include transparency of production locations.
- 3) Agreements with factories on the use of subcontractors stating clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** Information is systematically stored and accessible to all relevant staff. A FWF team was set up, consisting of all staff members involved in FWF implementation. This team is in contact with the sourcing department on a weekly basis.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

Comment: Communication about FWF membership is made on website, in newsletters, on printed marketing materials such as catalogues. FWF logo is also visible in Bel&Bo's shops.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Performance Checks, Audits, and other efforts lead to increased transparency	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	1	2	0

Comment: Bel&Bo has put the link to its previous brand performance check report on its website.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.3 Social Report is submitted to FWF and is published on member company's website	Complete and accurate report published on member's website	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with FWF's communication policy.	Social report that is in line with FWF's communication policy.	2	2	-1

Comment: The complete social report is shared on Bel&Bo's website and also handed out to its shops and stakeholders in different languages.

## TRANSPARENCY

Possible Points: 6

Earned Points: 5

## 7. EVALUATION

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: Bel&Bo evaluates FWF membership requirements with top management. The FWF team within Bel&Bo meets on a weekly basis to make sure all activities are aligned and steps are documented well. The company's CEO is also head of sourcing and visits factories himself.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	75%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: Bel&Bo addressed three out of the four requirements from the previous brand performance check. The company started to explain living wages and share wage ladders with its suppliers. Bel&Bo could show the questionnaire received from the external brand it resells, and has contributed in increasing the workers' awareness of FWF worker helpline.

Bel&Bo still needs to fulfill the requirements regarding production locations located in low-risk countries.

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## EVALUATION

Possible Points: 6

Earned Points: 6

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## RECOMMENDATIONS TO FWF

Bel&Bo would like to find more communication content on best practices from other brands in FWF documents and tools.

The CSR department would have liked tips on how to build up the internal information management system for their supply chain.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	19	44
Monitoring and Remediation	19	34
Complaints Handling	5	7
Training and Capacity Building	5	15
Information Management	4	7
Transparency	5	6
Evaluation	6	6
Totals:	63	119

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

53

### PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

04-05-2017

Conducted by:

Florence Bacin, Stefanie Santila Karl

Interviews with:

Tine Buysens: CSR Manager

Kim Volkaert: CSR Assistant

Michel Delfosse: CEO

Sabine Brunein: Head of QC

Charlotte Delfosse: Head of Sourcing

Luc Van Vyve: CFO

Lode Benoit: Director

Isabel Van Meirhaeghe: Marketing Manager